



Department of Energy, Mines,
Industry Regulation and Safety

Guidelines for Submission of Applications for the Co-funded Energy Analysis Program – **Geophysics Acquisition**

8 November 2023

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1. About the program

The Co-funded Energy Analysis Program (EAP) is an initiative to encourage exploration of petroleum and geothermal resources in the state of Western Australia. It is a component of the Exploration Incentive Scheme (EIS), funded by the Western Australian State Government and administered by the Department of Energy, Mines, Industry Regulation and Safety (Department).

The EAP will fund projects under two categories:

- EAP – geophysics acquisition
- EAP – analysis and reprocessing

The **EAP – geophysics acquisition category** makes funding available for *acquisition of greenfields geophysical data to achieve better resolution and understanding of petroleum and geothermal systems*. The data from the co-funded projects will become open file to advance exploration activity, address knowledge gaps, and deliver regional information to the wider exploration community. **The guidelines for co-funded EAP - geophysics acquisition applications and projects are presented within.**

The **EAP – analysis and reprocessing category** co-funds analysis of existing state resources (core, sidewall core, cuttings, and oil, condensate, water, and gas samples), to allow re-analysis of existing data (e.g. reprocessing or desktop studies). A separate guideline document for analysis co-funding is available on the website.

The EIS will allocate approximately \$1 million per year to the Co-funded Energy Analysis Program from May 2024. In the EAP - geophysics acquisition category, the co-funding amount will be 50% of the direct project costs (see section 5.4) up to a capped value of \$250,000 per project.

There will only be one application process/Series per year, with the funding term coinciding predominantly with a financial year. Preference will be given to greenfields projects, those targeting unexplored and under explored areas and resources (Fig. 1), see definitions in section 4.

			EAP		
DISCOVERED	COMMERCIAL	RESERVES	On production	Not eligible for Co-funding	
			Approved for development		
			Justified for development		
	SUB-COMMERCIAL	CONTINGENT RESOURCES	Development Pending		Considered for Co-funding
			Development on hold		
			Development unclarified		
Development not viable					
UN-DISCOVERED	PROSPECTIVE RESOURCES	Prospect	Highly favourable for Co-funding		
		Lead			
		Play			

Fig. 1 Resources favourable for EAP Geophysics co-funding. Figure adapted from *Petroleum Resources Management System V 1.03 (2018)*.

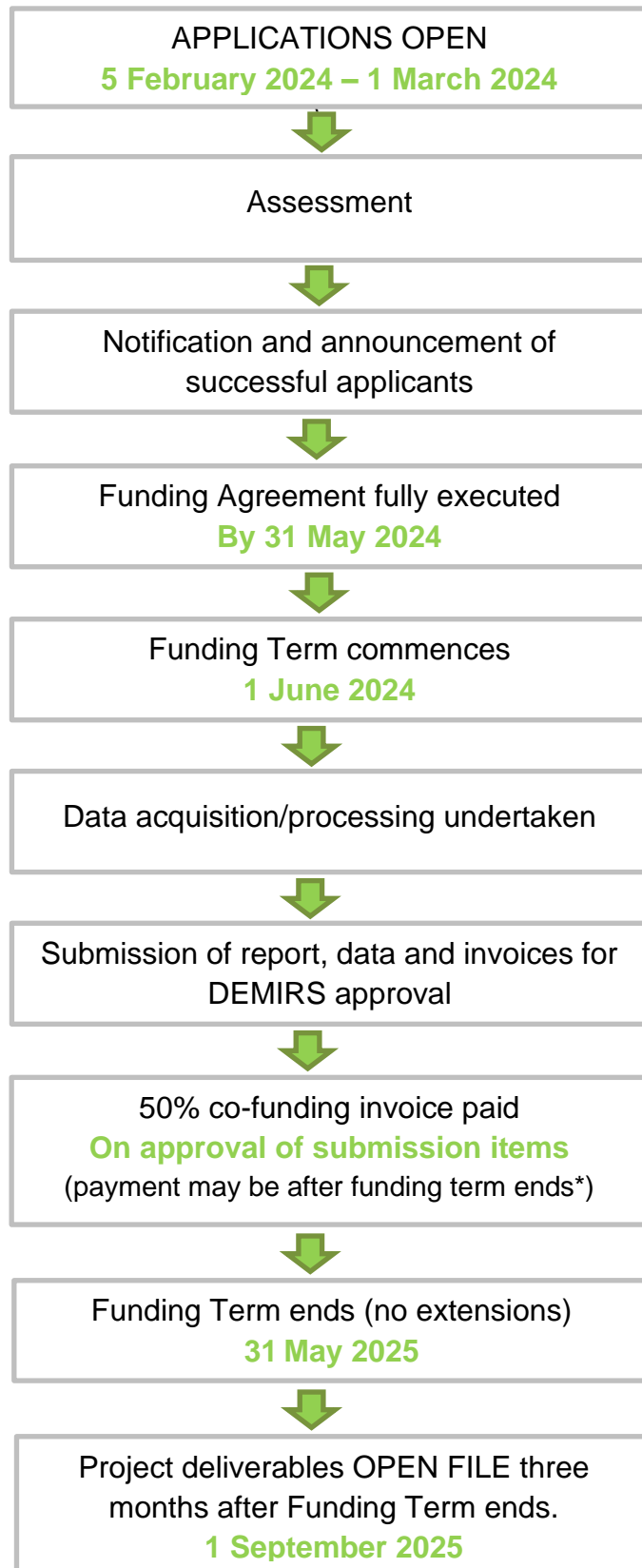
2. Important dates

IMPORTANT NOTE: The EAP will only open for applications ONCE a year.

Table 1. Important dates for Series 7 – geophysical acquisition under the EAP. *Please note that submission structure and deadlines for projects are slightly different to those for projects in the EAP – analysis and reprocessing category.

DATE	EVENT
5 February 2024	Applications open (online)
1 March 2024	Applications close (4 pm WST deadline)
Mid-April 2024	Announcement of successful proposals
By 31 May 2024	Agreements signed by applicants and DEMIRS
1 June 2024 – 31 May 2025	Term of Funding Agreements for 2024–25 Co-funded Energy Analysis Program
31 May 2025	Last date for acceptance of final reports, data and invoices for 2024–25 projects (5 pm WST deadline).

3. Funding sequence



NOTE: Projects must be completed and a final geophysical project report, data submission, company invoice and survey provider's tax invoice(s), delivered to the EIS Coordinator, Geological Survey of Western Australia, Department of Energy, Mines, Industry Regulation and Safety by **31 May 2025. No extension beyond this date is allowable.** * Provided the report, data and invoices are submitted before the funding term ends.

4. Definitions

“**Director General**” means the Director General of the Department of Energy, Mines, Industry Regulation and Safety.

“**Minister**” means the Minister for Mines and Petroleum.

“**Applicant**” means the company, institution or individual submitting a proposal.

“**Funding Agreement**” means the agreement of conditions of funding grant between the parties. These Guidelines form part of the Funding Agreement.

“**Funding Agreement**” means the agreement of conditions of funding grant between the parties. These Guidelines form part of the Funding Agreement.

“**Funding Term**” means the period from the Commencement Date until the Completion Date (inclusive of those dates).

“**Proposal**” means the documentation prepared and submitted to the Director General in an application for Government - Industry Co-funded Energy Analysis project.

“**Project**” means the work undertaken by the successful Applicant in accordance with the Proposal.

“**Closing Date**” means 4 pm WST on the 1 March 2024. This is the last day to submit a proposal. The online submission of the application must be completed at this time.

“**Commencement Date**” means 1 June 2024.

“**Completion Date**” means 31 May 2025.

“**Energy Co-funding**” means monies/refund distributed to successful applicants on completion of projects.

“**Geothermal Title**” means the area (or part thereof) outlined in the Proponent’s licence, lease permit, reservation or authority granted under the *Petroleum and Geothermal Energy Resources Act 1967* (WA).

“**Petroleum Title**” means the area (or part thereof) outlined in the Proponent’s licence, lease, permit, reservation or authority granted under the *Petroleum and Geothermal Energy Resources Act 1967* (WA) or the *Petroleum (Submerged Lands) Act 1982*.

“**Greenfields**” means exploration activity in unexplored or underexplored areas, where target architecture is poorly understood /defined.

“**Brownfields**” means exploration in the vicinity of identified commercial reserves, production sites and operations.

“**Regional-scale**” means projects that assess the potential of a whole basin/belt/arc/district to host an energy system.

“**Reserves**” are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must satisfy four criteria: discovered, recoverable, commercial, and remaining (as of the evaluation’s effective date) based on the development project(s) applied.

“**Contingent Resources**” are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, by the application of development project(s) not currently considered to be commercial owing to one or more contingencies.

“**Prospective Resources**” are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both an associated chance of geologic discovery and a chance of development.

“**Prospect**” means a project associated with a potential accumulation that is sufficiently well defined to represent a viable drilling project.

“**Lead**” means a project associated with a potential accumulation that is currently poorly defined and requires more data acquisition and/or evaluation to be classified as a Prospect

“**Play**” means a project associated with a prospective trends of potential prospects, but that requires more data acquisition and or evaluation to define specific Leads or Prospects.

** Definitions from Play, Lead and Prospect are from the Petroleum Resources Management System (Revised June 2018 v. 1.03)*

5. Eligibility criteria

5.1 Applicant eligibility

The Applicant is a legal entity that can enter a legally binding Funding Agreement with the Western Australian State Government, has an active Australian Company Number (ACN), and is registered for GST.

The Applicant must hold a Petroleum Title, Geothermal Title or Reservation Title. If the proposed project is over a title not held by the Applicant, the Applicant must still hold a granted title in the State of Western Australia.

Applications on any pending titles will not be accepted.

The Applicant must provide a quote showing the estimated project cost and indicating the availability of the contractor to conduct the survey within the Funding Term.

All quotes will be treated as *Commercial in Confidence* information.

Where required, as part of the assessment process the Department will take into consideration any of following criteria which may impact the eligibility of the application:

- History in meeting reporting/compliance commitments to the Department
- History in meeting reporting/completion commitments to previous EIS programs
- Financial and technical capacity of the Applicant to complete/undertake the proposed program.

5.2 Project requirements

Project activities must comply with the *Petroleum and Geothermal Energy Resources Act 1967 (WA)* or the *Petroleum (Submerged Lands) Act 1982*.

Wireline, wellsite, 3D and 4D seismic projects are not eligible for funding (see Table 2).

Table 2. Geophysical survey types eligible for co-funding (see Appendix 1 for examples).

Eligible Geophysical Surveys	Ineligible Geophysical Surveys
Ground-based or marine surveys Airborne surveys	Wellsite and wireline surveys 3D and 4D active seismic surveys

Projects cannot be retrospective and can only begin when the successful applicants have been publicly announced, the Funding Agreement has been fully executed, and on or after the Commencement Date.

Acquisition and processing may be undertaken by different third party suppliers. All contractors/suppliers must provide invoices for work undertaken within the funding term.

Before applying, the Applicant should ensure that all land access, permit, and heritage issues are resolved. Where appropriate, a current Indigenous Land Use Agreement (ILUA) is seen as favourable.

5.3 Service Provider Eligibility

The service/analysis provider cannot be the Applicant. Data acquisition and processing costs claimed for the grant must be undertaken and invoiced by an independent third party (contractor/supplier) with a different company name, ACN, business address and banking details to that of the Applicant. The service/analysis provider can be an intrastate, interstate or international business.

In the interest of future work, to either reproduce or replicate studies undertaken, it is favourable/preferred that the service/analysis provider be a commercial business whose services, or goods (as proposed to be undertaken in an application) can be readily procured by any other companies or individual.

5.4 Claimable project costs

Co-funding is available for up to half (50%) of the direct project costs capped at \$250,000 per project and shall not exceed the offered funding amount as notified in a *Letter of Offer* to successful applicants. Where 50% of the actual direct project costs are less than the offered funding amount, the co-funding amount will be the lesser value. All eligible project costs must be itemised on the contractors invoice(s).

Direct project costs include activities or items specifically required for the satisfactory completion and delivery of the proposed project to industry accepted standards.

Direct project costs

- Survey acquisition cost; invoices charged by geophysical contractors for active work and consumables.
- Mobilisation/demobilisation (combined) - up to a maximum of \$25,000 for projects that are completed¹
- Data processing

Costs not funded

- Standby (e.g. weather, waiting on parts)
- Applicant personnel costs (e.g. company geologist salary)
- Administration costs (e.g. heritage surveys and ground clearances)

¹ Mobilisation/demobilisation costs cannot be claimed for projects that do not acquire and report data.

5.5 Multiple Applications

5.5.1 Multiple co-funding applications to only the EAP – Geophysics acquisition category, in any one Series.

A maximum of two applications may be submitted by a single applicant/company to the EAP – geophysics acquisition category. Applications must be over different resources (see definitions section 4). There will be no handicapping for multiple applications.

If more than two applications are submitted by a single applicant/company the Department will request (by email) that the company choose two projects to remain active and proceed through the assessment phase. If the applicant/company does not provide a response before the date designated by the Department in the request, the applications (2) with the highest marks will remain eligible and the application(s) with lower mark(s) will be made ineligible.

If a company/applicant submits two or more geophysical-based applications over the same resource, the Department will request that a single application is selected and the other applications withdrawn before assessment begins. If the company/applicant does not provide a response before the assessment period is completed, the application with the highest marks will remain eligible and the application(s) with lower mark(s) will be made ineligible.

5.5.2 Applications to both EAP categories (Geophysics and Analysis and Reprocessing), in any one Series.

Applicants can submit applications from each of the two categories of the EAP co-funding in the same Series. However, Rule 1G and Rule 1AR will be applied.

RULE	EAP CATEGORY	DESCRIPTION
Rule 1G	Geophysics	Maximum of two applications will be eligible, but there can only be one application per resource.
Rule 1AR	Analysis and Reprocessing	All applications will be accepted, but second and subsequent applications will be subject to a 5 point handicapping

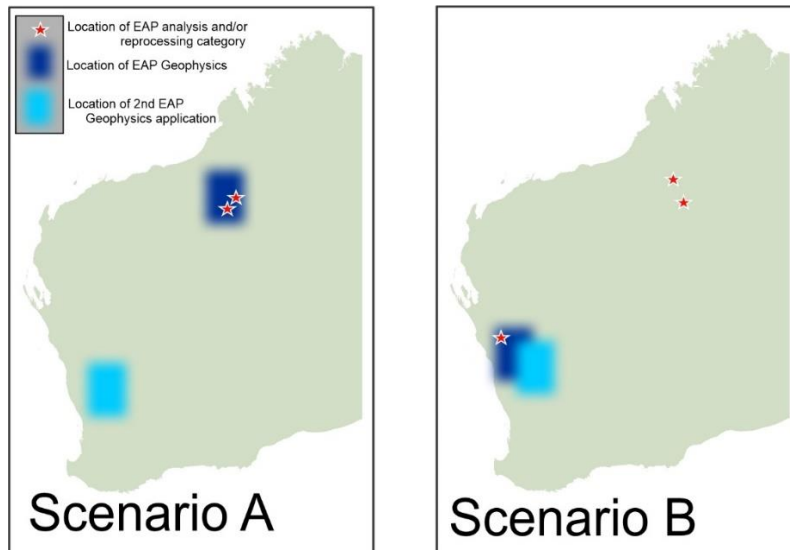


Figure 1. Mock examples where a single applicant has submitted applications from both EAP categories and the applied rules (see next page).

Scenario A = Both *geophysics* applications are eligible as they are on different resources. Both *analysis and reprocessing* applications are eligible, however, the one assessed to be the weaker project will have 5 points deducted (Rule 1AR).

Scenario B = Both *geophysics* applications address the same resource. One will become ineligible (Rule 1G; see above). All *analysis and reprocessing* applications are eligible, but the second and third applications (assessed to be the weaker projects) will each have 5 points deducted (Rule 1AR).

5.5.3 Applications across different EIS co-funding programs, in any one Series.

Applicants can apply to the Energy Analysis co-funding and the Drilling co-funding, at the same time, on the same project area. Applicants should refer to all guidelines, as they differ according to the co-funding type.

Applications across the different co-funding programs will be treated on individual merits of the applications, not co-jointly.

5.6 Projects covering multiple permits

5.6.1 General conditions

Where two or more companies form an agreement to undertake a single survey across the permit holdings, there can be only one company listed as the Applicant Company.

The designated Applicant Company is the company that enters into the agreement with the Department and is;

- a) Responsible and liable for all project conditions as outlined in the Funding Agreement, including deliverables to the Department; reports, data, and invoices.
- b) The only company that may invoice the Department for co-funding.
- c) Is the only company that any eligible grant payment is made to.

The Department takes no responsibility for the arrangements made between the participating companies over which the survey takes place.

The Department takes no responsibility for any disputes that may arise between participating companies.

5.6.2 Permissions

Airborne, ground-based, and marine projects may cover multiple permits however there can be only ONE Applicant Company per application (see above).

If the Applicant is not the holder of the permit on or over which a survey is planned, then a letter of agreement is required from the permit holder and should be attached to the Co-funded Energy Analysis Program application.

Where a project area covers multiple permits with different permit holders, a letter of agreement is required from each permit holder and should be attached to the Co-funded Energy Analysis Program application.

6. Application process

6.1 Applying online

Complete the Application form online, accessible at the EIS Co-funded Energy Analysis Program homepage: [EIS government co-funded Energy Analysis Program \(dmp.wa.gov.au\)](http://dmp.wa.gov.au)

Each application will require:

- ➡ Administrative information about the Applicant (Name, ACN, business address)
- ➡ Contact details for the primary company person with whom the Department will correspond with
- ➡ Project details - survey type, basic survey details as applicable (e.g. area, line km's, line spacing, number of stations)
- ➡ A quote of the estimated project cost and funding requested for project
- ➡ Indication of the survey providers' availability to conduct the program and proposed start date
- ➡ A project description which addresses the Technical Assessment Criteria within the online application. This should include figures, tables and maps to support the application.
- ➡ For ground-based activities, an indication that the Aboriginal Cultural Heritage Act and Management Codes have been reviewed/considered.
- ➡ Attachments
 - GIS format files of proposed survey boundaries (mandatory)
 - Survey provider quote and indication of availability (mandatory)
 - Permit holder agreement/s (if applicable)

6.2 Assessment process

All applications will be assessed by an expert panel of officers from the GSWA and independent industry specialists.

The panel will use the predefined assessment criteria specified in the online application.

The assessment will focus on the technical merits of the project and its capacity to broaden geological knowledge in greenfields areas of WA.

6.3 Endorsement of panel assessment pre-selection

Endorsement of the panel's assessments and pre-selection of successful applicants will be overseen by a co-funding Advisory Panel, consisting of members from industry bodies and DEMIRS. This will be the same panel that oversees the other co-funding projects. The panel currently has representatives from AMEC, CMEWA, academia and senior officers of DEMIRS (e.g., ED of the GSWA and a Deputy Director General of DEMIRS)

All decisions made by the panel will be final with no right of appeal.

6.4 Notification

On completion of the assessment process, all applicants will be notified of the outcome of their application via email immediately after the Minister for Mines and Petroleum releases a media statement of the successful applicants. Successful applicants will be formally notified in writing (Letter of Offer) and of the date of the compulsory briefing. Any applicant may seek feedback on their application but must be the person who is listed as the primary contact on the application to ensure confidentiality. See contact details section 8.

7. Successful applicants

7.1 Funding Agreement

All successful applicants will be required to enter into a Funding Agreement with the State of Western Australia acting through the Department of Energy, Mines, Industry Regulation and Safety.

The following principles will apply to management of funding for successful applicants:

- a) Management of the successfully funded Projects will be undertaken by the Project Applicants. All liabilities associated with the Project remain with the Project Applicants.
- b) Where 50% of claimable direct project costs for a completed Project are less than the Refund amount as stated in the Letter of Offer, the Department will provide funding in proportion to the ratio of the funding requested and the total direct project cost. A tax invoice from the Applicant, together with a concise summary of direct project costs (including copies of tax invoices from analysis contractors/providers) must be provided.
- c) Geophysical projects must be conducted according to land access, heritage, and environmental procedures for Western Australian permits as issued under the *Petroleum and Geothermal Energy Resources Act 1967 (WA)* or the *Petroleum*

(Submerged Lands) Act 1982, or the Petroleum and Geothermal Energy Resources Act 1967 (WA).

- d) A single invoice payment will be made on submission and acceptance of the project deliverables as defined in 7.4.
- e) Geophysics co-funding contributions from the Department cannot be included as part of company expenditure commitments for permits.
- f) Geophysical survey acquisition must be undertaken by a third party, whereby submitted contractor invoices show a different company name, address and ACN from the successful applicant awarded the EIS co-funding.

7.2 Project modification

Any changes to the project must be submitted to the EIS coordinator in writing and granted approval before being undertaken. A change of project deliverables may invalidate the Funding Agreement.

Upon commencement and completion of field work, the date of commencement and completion should be emailed to the EIS coordinator.

7.3 Withdrawal

Should the Applicant wish to withdraw from the Funding Agreement they are requested to notify the EIS Coordinator in writing before the end of the Funding Term. The notification should also include a general reason for the withdrawal.

7.4 Submission items

The deliverables required for each project are:

- **Final Report** containing all technical information directly relevant to the project.
- **Geophysical data**, includes complete raw and processed data packages.
- **Invoices**, from the Applicant (for co-funding) and survey supplier (showing direct project costs).

7.4.1 Geophysical data and final report submission

Both the final report and geophysical data should be submitted to the DEMIRS Statutory Exploration Information Group (SEIG) at petdata@DEMIRS.wa.gov.au

The final report should conform to the final report template available online: www.DEMIRS.wa.gov.au/EISenergyanalysis

Geophysical data both raw and processed must be provided in the standard data formats for reporting results for petroleum and geothermal activity as required by the Department (these are available at: <http://www.dmp.wa.gov.au/Documents/Petroleum/REC-PC-159D.pdf>).

Depending on the size of the geophysical data, the Statutory Exploration Information Group will advise a submission method, e.g. secure upload link or physical hard drive submission to the Department.

7.4.2 Invoices

The applicant invoice and third party service provider invoices should be submitted by email to the EIS Coordinator charlotte.hall@DEMIRS.wa.gov.au

Invoices from the Applicant will need to include banking details (account name, BSB, account number) and an email for a remittance notice.

7.5 Project completion

Submission of final report, data and invoices **MUST** be before the completion date.

The final invoice will be paid post submission and DEMIRS approval of all project deliverables as outlined in the Funding Agreement.

All reports and data will become open file three months after the conclusion of the Funding Term.

Projects submitted and finalised before the conclusion of the Funding Term will remain confidential until three months after the conclusion of the Funding Term.

The data will then be made publicly available through WAPIMS.

8. Contact details

Enquiries should be directed to:

Primary contact

Dr Charlotte Hall

Coordinator Exploration Incentive Scheme
Department of Energy, Mines, Industry
Regulation and Safety
100 Plain Street
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Appendix 1. Examples of geophysical survey types eligible for co-funding, airborne and ground. List is not exclusive, new techniques will be considered.

Survey type	Sub-categories
Magnetics	
Gravity	Gravity
	Gradiometry
Radiometric	Gamma ray spectrometry, gamma ray scintillometry
Electrical	Electromagnetic (EM)
	VLF EM Surveys (very low frequency)
	Horizontal Loop HLEM Surveys (Vertical loop)
	Time-domain EM Surveys (VTEM, TEM, TDEM, Geonics EM37, Crone Pulse EM, UTEM)
	Frequency-domain electromagnetics (FEM)
	Induced polarization (IP) – collected by electrical profiling
	Electrical Resistivity (Resistivity) 1D, 2D, 3D and 4D forms
Magnetotellurics (MT) – form of EM	
Seismic	2D Active (reflection and refraction)
	Passive (ambient noise tomography, body wave tomography)
Self Potential (SP)	
Remote Sensing (general term) includes;	LANDSAT, Advanced Spaceborne Thermal Emission and Reflection Radiometer (ASTER), Light Detection and ranging (Lidar), sonar, radar, ground penetrating radar (GPR), hyper spectral, field spectroscopy, thermal infrared.
Multi-channel analyses of surface waves (MASW)	
Natural Magnetic Resonance (NMR)	